

Senate Study Bill 3199 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act concerning pari-mutuel racetracks, by providing for
2 live dog racing at pari-mutuel dog racetracks, alternative
3 licensure for dog racetracks authorized to conduct gambling
4 games, calculating the wagering tax on certain racetracks,
5 and establishing fees.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **99D.9A Dog racetrack licensure —**
2 **fees.**

3 1. Upon written notification to the commission by November
4 1, 2014, a licensee authorized to operate a pari-mutuel
5 dog racetrack and to conduct gambling games pursuant to
6 section 99F.6 as of January 1, 2014, may, upon agreement to
7 comply with the requirements of this section, discontinue
8 performances of live dog races at the racetrack on January 1,
9 2015, and maintain a license under this chapter for purposes
10 of permitting pari-mutuel wagering on simultaneously telecast
11 horse and dog races and for purposes of conducting gambling
12 games.

13 2. Upon discontinuance of live dog racing by a licensee, all
14 of the following shall occur:

15 a. The commission shall determine what portion of the
16 unexpended moneys in the dog racing promotion fund created
17 in section 99D.12 is attributable to the licensee that has
18 discontinued live racing and shall transfer those moneys to
19 the Iowa greyhound pari-mutuel racing fund created in section
20 99D.9B.

21 b. Any agreement, which was approved by the commission
22 for dog purse supplement payments for live racing that was
23 discontinued by the licensee, shall be terminated.

24 c. The commission, the licensee of the pari-mutuel dog
25 racetrack located in Pottawattamie county, and the Iowa
26 greyhound association shall take all action necessary to
27 facilitate the transfer of unexpended moneys, contained in
28 an escrow fund created pursuant to a decision in December
29 1995 regarding dog purse supplements at the racetrack, to the
30 commission, and the commission shall transfer such moneys to
31 the Iowa greyhound association for use by the association
32 pursuant to the requirements of section 99D.9C.

33 d. The licensee shall pay the live racing cessation fee as
34 provided by this section and shall continue to pay the annual
35 license fee and regulatory fee as a pari-mutuel dog racetrack

1 licensed to operate gambling games pursuant to the requirements
2 of section 99F.4A.

3 3. For purposes of this section, the live racing cessation
4 fee shall be paid to the commission for deposit in the Iowa
5 greyhound pari-mutuel racing fund created in section 99D.9B,
6 which fee shall be determined as follows:

7 a. For the pari-mutuel dog racetrack located in Dubuque
8 county, the payment of two million one hundred forty-two
9 thousand dollars within two weeks of the discontinuance of live
10 racing at the licensee, and two million one hundred forty-three
11 thousand dollars each January 1 for six consecutive calendar
12 years thereafter, commencing on January 1 of the calendar
13 year following the calendar year in which live racing was
14 discontinued.

15 b. For the pari-mutuel dog racetrack located in
16 Pottawattamie county, the payment of eleven million dollars
17 within two weeks of the discontinuance of live racing at the
18 licensee, and eleven million five hundred thousand dollars
19 each January 1 for six consecutive calendar years thereafter,
20 commencing on January 1 of the calendar year following the
21 calendar year in which live racing was discontinued.

22 4. A licensee who discontinues live racing pursuant to
23 the requirements of this section shall remain licensed as a
24 pari-mutuel dog racetrack licensed to operate gambling games,
25 shall comply with the requirements of this chapter applicable
26 to a dog racetrack licensee except for those requirements
27 applicable to live racing, and shall be permitted, but not
28 required, to conduct pari-mutuel wagering on simultaneously
29 telecast horse and dog races. If a licensee that discontinues
30 live racing pursuant to this section conducts pari-mutuel
31 wagering on simultaneously telecast horse or dog races, the
32 licensee shall carry the simultaneously telecast signal of any
33 dog racetrack facility licensed to conduct live pari-mutuel
34 wagering on dog races within the state at a commercially
35 reasonable rate to be negotiated by the parties and approved

1 by the commission.

2 Sec. 2. NEW SECTION. 99D.9B Iowa greyhound pari-mutuel
3 racing fund.

4 1. An Iowa greyhound pari-mutuel racing fund is created in
5 the state treasury under the control of the racing and gaming
6 commission.

7 2. The fund shall consist of all of the following:

8 a. Moneys in the dog racing promotion fund created in
9 section 99D.12 that were deposited in the fund from a dog
10 racetrack licensee that discontinues scheduling performances of
11 live dog races pursuant to section 99D.9A.

12 b. Moneys deposited in the fund from the live racing
13 cessation fee established in section 99D.9A.

14 c. Moneys transferred to the fund from the Iowa greyhound
15 association as provided in section 99D.9C.

16 3. Moneys in the fund shall be distributed by the commission
17 pursuant to rules adopted by the commission. Moneys in
18 the fund shall be distributed by the commission annually
19 and proportionally to eligible recipients based upon each
20 eligible recipient's average annual purse winnings at Iowa
21 dog racetracks for calendar years 2009 through 2014 and the
22 economic impact of the reduction in live dog racing on an
23 eligible recipient as determined by the commission. If,
24 however, a license to conduct pari-mutuel wagering and
25 live racing at a dog racetrack is granted pursuant to an
26 application submitted pursuant to section 99D.9C, any moneys
27 remaining in the fund shall be distributed to the licensee for
28 costs associated with the development of the dog racetrack,
29 including, if otherwise authorized, a facility to conduct
30 gambling games as provided in chapter 99F at the dog racetrack.
31 For purposes of this paragraph, "*eligible recipient*" means
32 greyhound owners, greyhound breeders, and kennel operators who
33 earned purse moneys at any dog racetrack located in the state
34 that discontinued live dog racing pursuant to section 99D.9A
35 from 2009 through 2014, and no-kill animal adoption agencies.

1 4. Section 8.33 does not apply to moneys in the fund.
2 Notwithstanding section 12C.7, subsection 2, interest or
3 earnings on moneys deposited in the fund shall be credited to
4 the fund.

5 5. The commission shall adopt rules to administer this
6 section.

7 Sec. 3. NEW SECTION. **99D.9C Alternative dog racetrack**
8 **licensure — live racing.**

9 1. An application for a license to conduct pari-mutuel
10 wagering and live racing at a dog racetrack under this chapter
11 that shall also authorize the licensee to hold a license to
12 conduct gambling games as provided in section 99F.4A may be
13 submitted by the Iowa greyhound association pursuant to this
14 section if the following conditions are met:

15 a. The proposed location of the dog racetrack shall not
16 be within fifty miles of the locations of the pari-mutuel dog
17 racetracks conducting gambling games as of January 1, 2014,
18 that are located in Pottawattamie county and Dubuque county.

19 b. The application for a license shall be submitted to the
20 commission by July 1, 2019.

21 c. The Iowa greyhound association complies with all other
22 requirements for submitting an application for a license under
23 this chapter that are not inconsistent with the requirements of
24 this section.

25 2. Notwithstanding any provision of law to the contrary,
26 the commission shall approve the application for a license
27 to conduct pari-mutuel wagering at a dog racetrack submitted
28 pursuant to this section barring convincing evidence that
29 approval of the application would not be in the best interests
30 of the state.

31 3. The Iowa greyhound association shall establish a fund
32 under its control for the receipt and deposit of escrow fund
33 moneys transferred to the Iowa greyhound association pursuant
34 to section 99D.9A. The Iowa greyhound association shall
35 use moneys in the fund to pay all reasonable and necessary

1 costs and fees associated with pursuing a license under this
2 section for developing a dog racetrack, including, if otherwise
3 authorized, a gambling structure to conduct gambling games as
4 provided in chapter 99F at the dog racetrack. If the Iowa
5 greyhound association is unable to obtain a license pursuant to
6 this section by July 1, 2020, the Iowa greyhound association
7 shall transfer any unused portion of the fund to the commission
8 for deposit in the Iowa greyhound pari-mutuel racing fund
9 created in section 99D.9B.

10 Sec. 4. Section 99D.11, subsection 6, paragraph b, Code
11 2014, is amended to read as follows:

12 b. (1) The commission may authorize the licensee to
13 simultaneously telecast within the racetrack enclosure or
14 licensed premises, for the purpose of pari-mutuel wagering, a
15 horse or dog race licensed by the racing authority of another
16 state. It is the responsibility of each licensee to obtain
17 the consent of appropriate racing officials in other states as
18 required by the federal Interstate Horseracing Act of 1978,
19 15 U.S.C. § 3001 – 3007, to televise races for the purpose of
20 conducting pari-mutuel wagering.

21 (2) A licensee may also obtain the permission of a person
22 licensed by the commission to conduct horse or dog races in
23 this state to televise races conducted by that person for the
24 purpose of conducting pari-mutuel ~~racing~~ wagering. However,
25 arrangements made by a licensee to televise any race for
26 the purpose of conducting pari-mutuel wagering are subject
27 to the approval of the commission, and the commission shall
28 select the races to be televised. The races selected by the
29 commission shall be the same for all licensees approved by the
30 commission to televise races for the purpose of conducting
31 pari-mutuel wagering. The commission shall not authorize the
32 simultaneous telecast or televising of and a licensee shall
33 not simultaneously telecast or televise any horse or dog race
34 for the purpose of conducting pari-mutuel wagering unless the
35 simultaneous telecast or televising is done at the racetrack

1 of a licensee that schedules no less than sixty performances
2 of nine live races each day of the season or at the licensed
3 premises of a licensee that is no longer obligated to schedule
4 performances of live races pursuant to section 99D.9A.

5 (3) For purposes of the taxes imposed under this chapter,
6 races televised by a licensee for purposes of pari-mutuel
7 wagering shall be treated as if the races were held at the
8 racetrack enclosure or licensed premises of the licensee.

9 Notwithstanding any contrary provision in this chapter, the
10 commission may allow a licensee to adopt the same deductions
11 as those of the pari-mutuel racetrack from which the races are
12 being simultaneously telecast.

13 Sec. 5. Section 99F.4A, subsection 2, Code 2014, is amended
14 to read as follows:

15 2. A license to operate gambling games shall be issued only
16 to a licensee holding a valid license to conduct pari-mutuel
17 dog or horse racing pursuant to chapter 99D on January 1, 1994,
18 or to a licensee holding a valid license to conduct pari-mutuel
19 live dog racing pursuant to chapter 99D under the provisions
20 of section 99D.9C.

21 Sec. 6. Section 99F.4A, subsection 8, paragraph a, Code
22 2014, is amended to read as follows:

23 a. The commission shall, upon the immediate payment of
24 the applicable table games license fee and submission to the
25 commission by June 1, 2005, of an application by a licensee
26 of a pari-mutuel dog or horse racetrack licensed to conduct
27 gambling games at a pari-mutuel racetrack enclosure, issue
28 a license to the licensee to conduct table games of chance,
29 including video machines that simulate table games of chance,
30 at the pari-mutuel racetrack enclosure whose licensee holds a
31 valid license to conduct pari-mutuel dog racing pursuant to
32 chapter 99D on January 1, 1994, subject to the requirements of
33 this subsection. However, a table games license may only be
34 issued to a licensee required to pay a table games license fee
35 of three million dollars under this subsection if the licensee,

1 and all other licensees of an excursion gambling boat in that
2 county, file an agreement with the commission authorizing the
3 granting of a table games license under this subsection and
4 permitting all licensees of an excursion gambling boat to
5 operate a moored barge as of a specific date. The licensee
6 shall be granted a table games license by the commission upon
7 payment of the applicable license fee to the commission which
8 table games license fee may be offset by the licensee against
9 taxes imposed on the licensee by section 99F.11, to the extent
10 of twenty percent of the table games license fee paid pursuant
11 to this subsection for each of five consecutive fiscal years
12 beginning with the fiscal year beginning July 1, 2008. Fees
13 paid pursuant to this subsection are not refundable to the
14 licensee. A licensee shall not be required to pay a fee to
15 renew a table games license issued pursuant to this subsection.
16 Moneys collected by the commission from a table games license
17 fee paid under this subsection shall be deposited in the
18 rebuild Iowa infrastructure fund created in section 8.57.

19 Sec. 7. Section 99F.4A, subsection 8, Code 2014, is amended
20 by adding the following new paragraph:

21 NEW PARAGRAPH. *Ob.* Upon submission to the commission of
22 an application by a licensee of a pari-mutuel dog racetrack
23 licensed pursuant to the authority of section 99D.9C and
24 authorized to conduct gambling games at a pari-mutuel racetrack
25 enclosure, the commission shall issue a license to the licensee
26 to conduct table games of chance, including video machines that
27 simulate table games of chance, at the pari-mutuel racetrack
28 enclosure.

29 Sec. 8. Section 99F.6, subsection 4, paragraph a,
30 subparagraph (3), Code 2014, is amended to read as follows:

31 (3) The commission shall authorize, subject to the debt
32 payments for horse racetracks and the provisions of paragraph
33 "b" for dog racetracks, a licensee who is also licensed to
34 conduct pari-mutuel dog or horse racing to use receipts from
35 gambling games within the racetrack enclosure to supplement

1 purses for races particularly for Iowa-bred horses pursuant to
 2 an agreement which shall be negotiated between the licensee and
 3 representatives of the dog or horse owners. For agreements
 4 subject to commission approval concerning purses for horse
 5 racing beginning on or after January 1, 2006, the agreements
 6 shall provide that total annual purses for all horse racing
 7 shall be no less than eleven percent of the first two hundred
 8 million dollars of net receipts, and six percent of net
 9 receipts above two hundred million dollars. For agreements
 10 subject to commission approval concerning purses for horse
 11 racing beginning on or after January 1, 2015, the agreements
 12 shall provide for an additional purse supplement amount for all
 13 horse racing conducted at the horse racetrack in Polk county
 14 equal to an amount representing fifty percent of the difference
 15 in the wagering tax calculated for the licensee under section
 16 99F.11 using the definition of adjusted gross receipts as
 17 provided in section 99F.1 and the definition of adjusted gross
 18 receipts for purposes of the licensee as provided in section
 19 99F.11. In addition, live standardbred horse racing shall not
 20 be conducted at the horse racetrack in Polk county, but the
 21 purse moneys designated for standardbred racing pursuant to
 22 section 99D.7, subsection 5, paragraph "b", shall be included
 23 in calculating the total annual purses required to be paid
 24 pursuant to this subsection. Agreements that are subject to
 25 commission approval concerning horse purses for a period of
 26 time beginning on or after January 1, 2006, shall be jointly
 27 submitted to the commission for approval.

28 Sec. 9. Section 99F.6, subsection 4, paragraph b, Code 2014,
 29 is amended to read as follows:

30 ***b.*** ***(1)*** The commission shall authorize the licensees of
 31 pari-mutuel dog racetracks located in Dubuque county ~~and Black~~
 32 ~~Hawk county~~ to conduct gambling games as provided in section
 33 99F.4A if the licensees schedule at least one hundred thirty
 34 performances of twelve live races each day during a season of
 35 twenty-five weeks. For the pari-mutuel dog racetrack located

1 in Pottawattamie county, the commission shall authorize the
2 licensee to conduct gambling games as provided in section
3 99F.4A if the licensee schedules at least two hundred ninety
4 performances of twelve live races each day during a season
5 of fifty weeks. The For the licensee of a pari-mutuel dog
6 racetrack licensed pursuant to the authority of section 99D.9C,
7 the commission shall authorize the licensee to conduct gambling
8 games as provided in section 99F.4A if the licensee schedules
9 at least two hundred ninety performances of twelve live races
10 each day during a season of at least fifty weeks. However,
11 the requirement to schedule performances of live races for
12 purposes of conducting gambling games under this chapter shall
13 not apply to a licensee who is no longer obligated to schedule
14 performances of live races pursuant to section 99D.9A.

15 (2) If a pari-mutuel dog racetrack authorized to conduct
16 gambling games as of January 1, 2014, is required to schedule
17 performances of live races for purposes of conducting gambling
18 games under this chapter, the commission shall approve an
19 annual contract to be negotiated between the annual recipient
20 of the dog racing promotion fund and each dog racetrack
21 licensee to specify the percentage or amount of gambling
22 game proceeds which shall be dedicated to supplement the
23 purses of live dog races. The parties shall agree to a
24 negotiation timetable to insure no interruption of business
25 activity. If the parties fail to agree, the commission
26 shall impose a timetable. If the two parties cannot reach
27 agreement, each party shall select a representative and the
28 two representatives shall select a third person to assist in
29 negotiating an agreement. The two representatives may select
30 the commission or one of its members to serve as the third
31 party. Alternately, each party shall submit the name of the
32 proposed third person to the commission who shall then select
33 one of the two persons to serve as the third party. All
34 parties to the negotiations, including the commission, shall
35 consider that the dog racetracks were built to facilitate the

1 development and promotion of Iowa greyhound racing dogs in this
2 state and shall negotiate and decide accordingly.

3 (3) A pari-mutuel dog racetrack licensed pursuant to the
4 authority of section 99D.9C that conducts gambling games shall
5 dedicate an amount of moneys annually, totaling the combined
6 annual purse supplements paid annually by pari-mutuel dog
7 racetracks discontinuing the performance of live dog races
8 pursuant to section 99D.9A, adjusted annually by the cost of
9 living index, to supplement the purses of live dog races. All
10 parties involved in the supplementation of purses, including
11 the commission, shall consider that the dog racetracks were
12 built to facilitate the development and promotion of Iowa
13 greyhound racing dogs in this state and shall act accordingly.

14 Sec. 10. Section 99F.7, subsection 11, paragraph c, Code
15 2014, is amended to read as follows:

16 c. If a licensee of a pari-mutuel racetrack who held a valid
17 license issued under chapter 99D as of January 1, 1994, or a
18 licensee of a pari-mutuel dog racetrack licensed pursuant to
19 the authority of section 99D.9C, requests a license to operate
20 gambling games as provided in this chapter, the board of
21 supervisors of a county in which the licensee of a pari-mutuel
22 racetrack requests a license to operate gambling games shall
23 submit to the county electorate a proposition to approve or
24 disapprove the operation of gambling games at pari-mutuel
25 racetracks at an election held on a date specified in section
26 39.2, subsection 4, paragraph "a". If the operation of
27 gambling games at the pari-mutuel racetrack is not approved by
28 a majority of the county electorate voting on the proposition
29 at the election, the commission shall not issue a license to
30 operate gambling games at the racetrack.

31 Sec. 11. Section 99F.7, subsection 11, paragraph e, Code
32 2014, is amended to read as follows:

33 e. After a referendum has been held which approved or
34 defeated a proposal to conduct gambling games as provided in
35 this section, another referendum on a proposal to conduct

1 gambling games shall not be held until the eighth calendar year
2 thereafter. However, this paragraph shall not apply to an
3 initial referendum on a proposal to conduct gambling games by a
4 licensee of a pari-mutuel dog racetrack licensed pursuant to
5 the authority of section 99D.9C.

6 Sec. 12. Section 99F.11, subsection 2, Code 2014, is amended
7 by adding the following new paragraph:

8 NEW PARAGRAPH. *d.* If the licensee is a dog racetrack
9 enclosure licensed pursuant to the authority of section 99D.9C,
10 twenty-two percent.

11 Sec. 13. Section 99F.11, Code 2014, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. 4. For purposes of this section, "*adjusted*
14 *gross receipts*" means, for a licensee of a racetrack enclosure
15 conducting live races and gambling games, an amount equal
16 to the adjusted gross receipts from gambling games for the
17 licensee reduced by the amount paid by the licensee during the
18 fiscal year from gambling game proceeds to supplement purses.

19 EXPLANATION

20 The inclusion of this explanation does not constitute agreement with
21 the explanation's substance by the members of the general assembly.

22 This bill concerns pari-mutuel racetracks authorized to
23 conduct gambling games.

24 New Code section 99D.9A allows a licensee authorized to
25 operate a pari-mutuel dog racetrack and to conduct gambling
26 games as of January 1, 2014, to, upon written notice to the
27 racing and gaming commission, by November 1, 2014, discontinue
28 performances of live dog races on January 1, 2015, and to
29 maintain a license under Code chapter 99D for purposes of
30 permitting, but not requiring, pari-mutuel wagering on
31 simultaneously telecast horse and dog races and continuing
32 to allow the licensee to conduct gambling games. The bill
33 does provide that if the licensee decides to simultaneously
34 telecast horse or dog races, the licensee is required to
35 carry the simultaneously telecast signal of any dog racetrack

1 conducting live pari-mutuel wagering on dog races within
2 the state. The bill provides that upon discontinuing live
3 racing, the racing and gaming commission shall transfer any
4 unexpended moneys, contained in the dog racing promotion fund
5 attributable to the licensee discontinuing live dog racing,
6 to an Iowa greyhound pari-mutuel racing fund created in the
7 bill. In addition, upon discontinuing live racing, moneys from
8 an escrow fund for greyhound racing shall be transferred to
9 the Iowa greyhound association and any agreement for dog purse
10 supplement payments for live racing shall be terminated. The
11 licensee, upon discontinuing live dog racing, shall commence
12 paying a new live racing cessation fee which shall be deposited
13 in an Iowa greyhound pari-mutuel racing fund created in the
14 bill. The new Code section sets the live racing cessation fee
15 for the pari-mutuel dog racetrack located in Dubuque county at
16 \$2.142 million, payable upon discontinuing live racing, and
17 at \$2.143 million, payable each January 1 for six calendar
18 years thereafter. For the pari-mutuel dog racetrack located
19 in Pottawattamie county, the live racing cessation fee is set
20 at \$11 million, payable upon discontinuing live racing, and at
21 \$11.5 million, payable each January 1 for six calendar years
22 thereafter. The bill provides that a licensee discontinuing
23 live racing shall continue to pay the annual license fee and
24 regulatory fee as a pari-mutuel dog racetrack licensed to
25 conduct gambling games pursuant to the requirements of Code
26 section 99F.4A.

27 New Code section 99D.9B creates an Iowa greyhound
28 pari-mutuel racing fund under the control of the racing
29 and gaming commission. The fund shall consist of moneys
30 transferred from the dog racing promotion fund and moneys from
31 the live racing cessation fee established in new Code section
32 99D.9A, and any moneys transferred from the Iowa greyhound
33 association as provided in the bill.

34 The bill provides that moneys in the fund shall be
35 distributed by the commission annually and proportionally to

1 greyhound owners, greyhound breeders, and kennel operators,
2 and no-kill animal adoption agencies based upon average annual
3 purse winnings from dog races in the state from 2009 through
4 2014 and the economic impact of the reduction in live dog
5 racing as determined by the commission. In addition, the
6 bill requires that if a license to conduct live pari-mutuel
7 wagering at a dog racetrack is granted as provided in the bill,
8 any moneys remaining in the fund shall be distributed to the
9 licensee for costs associated with the development of the dog
10 racetrack and gaming facility.

11 New Code section 99D.9C authorizes the Iowa greyhound
12 association to apply for a license to conduct pari-mutuel
13 wagering and live racing at a dog racetrack and to be eligible
14 to conduct gambling games pursuant to the requirements of
15 Code chapter 99F. The bill provides that the Iowa greyhound
16 association must locate the new dog racetrack at least 50 miles
17 away from the existing dog racetracks in Pottawattamie and
18 Dubuque counties, and submit an application by July 1, 2019.
19 The bill requires the racing and gaming commission to issue
20 the license to the applicant barring any convincing evidence
21 that approval of the license would not be in the best interests
22 of the state. The new Code section also requires the Iowa
23 greyhound association to establish a fund under its control for
24 the receipt and deposit of escrow fund moneys transferred to
25 the Iowa greyhound association pursuant to the requirements of
26 new Code section 99D.9A in the bill. The bill authorizes the
27 association to use moneys in the fund to pay all reasonable and
28 necessary costs and fees associated with pursuing a license
29 and for developing a dog racetrack. If the Iowa greyhound
30 association is unable to obtain a license by July 1, 2020, the
31 bill requires the association to transfer any unused portion of
32 the fund to the commission for deposit in the Iowa greyhound
33 pari-mutuel racing fund created in Code section 99D.9B.

34 Code section 99D.11(6)(b), concerning pari-mutuel wagering
35 on simultaneous telecasts of horse or dog races, is amended

1 to allow a simultaneous telecast of horse and dog races at a
2 licensee in this state that is no longer obligated to schedule
3 live dog races pursuant to new Code section 99D.9A on the
4 licensed premises. Under current law, simulcast telecasting
5 of races can only be allowed at a racetrack of a licensee that
6 schedules no less than 60 performances of nine live races each
7 day of the season.

8 Code section 99F.4A, concerning gambling games at
9 pari-mutuel racetracks, is amended to allow a dog racetrack
10 licensee issued a license pursuant to new Code section 99D.9C
11 to conduct gambling games. The Code section is further
12 amended to require the racing and gaming commission to issue
13 the new dog racetrack a license to conduct table games at the
14 racetrack.

15 Code section 99F.6(4)(a) is amended to provide that
16 agreements for horse purses beginning on or after January 1,
17 2015, shall include a supplemental purse amount equal to 50
18 percent of an amount representing the reduction in the wagering
19 tax owed by the horse racetrack licensee due to the changes to
20 Code section 99F.11 in the bill.

21 Code section 99F.6(4)(b) is amended to allow the conduct of
22 gambling games at a pari-mutuel dog racetrack that is no longer
23 obligated to schedule performances of live races pursuant to
24 new Code section 99D.9A. The provision is further amended
25 to require a new dog racetrack licensed pursuant to new Code
26 section 99D.9C to schedule at least 290 performances of 12 live
27 dog races each day during a season of at least 50 weeks in order
28 to conduct gambling games. The provision is further amended
29 to provide that the purse supplements for live dog racing paid
30 annually by a pari-mutuel dog racetrack licensed pursuant to
31 the authority of Code section 99D.9C shall be in an amount of
32 moneys totaling the combined annual purse supplements paid
33 by pari-mutuel dog racetracks discontinuing the performance
34 of live dog races pursuant to Code section 99D.9A, adjusted
35 annually by the cost of living index.

1 Code section 99F.7(11), concerning referendums to conduct
2 gambling games, is amended to provide that if a new dog
3 racetrack licensed pursuant to new Code section 99D.9C requests
4 a license to conduct gambling games, the applicable county
5 supervisors shall submit the proposition to conduct gambling
6 games at the racetrack to the county electorate at an election
7 for approval. In addition, the bill provides that the current
8 eight-year time limitation on holding a referendum that has
9 been held in a county which has approved or defeated a proposal
10 to conduct gambling games shall not apply to a request for an
11 initial referendum on a proposal to conduct gambling games by a
12 licensee of a pari-mutuel dog racetrack licensed pursuant to
13 the authority of Code section 99D.9C.

14 Code section 99F.11, concerning the wagering tax on adjusted
15 gross receipts from gambling games, is amended. The bill
16 provides that the tax rate on adjusted gross receipts over \$3
17 million on gambling games on the new dog racetrack licensed
18 pursuant to new Code section 99D.9C shall be 22 percent. The
19 Code section is also amended to provide that the adjusted gross
20 receipts for purposes of the wagering tax for a licensee of a
21 racetrack enclosure conducting live races is an amount equal
22 to the adjusted gross receipts from gambling games for the
23 licensee reduced by the amount paid by the licensee during the
24 fiscal year from gambling game proceeds to supplement purses.